

EMERGENCY HELICOPTER PURCHASE AND CUSTOMIZATION AGREEMENT THROUGH PURCHASE ORDER

FOR THE FIRST PARTY: The DEPARTMENT OF HEALTH, represented by its Secretary of Health, HON. ANA C. RIUS ARMENDARIZ, MD, of legal age, single, doctor in medicine and resident of Guaynabo, Puerto Rico or represented by the Undersecretary of Health, DR. GREDUVEL DURAN GUZMAN, MD, MPH, of legal age, married, doctor in medicine and resident of San Juan, Puerto Rico, who appears in representation of the Secretary of Health and who is duly authorized to sign this agreement by delegation of the Secretary of Health as stipulated in writing on October 20, 2015, in accordance with Act No. 81 of March 14, 1912, as amended, henceforth denominated as the **PRDH**.

FOR THE SECOND PARTY: ECOLIFT CORPORATION, a profit corporation created under the laws of the Commonwealth of Puerto Rico represented in this act by ERNESTO DI GREGORIO GODOY, in his capacity as President, of legal age, single and resident of San Juan, Puerto Rico, hereinafter denominated as **ECOLIFT**.

LEGAL BASIS

ack
aj
In accordance with Act No. 81 of March 14, 1912, as amended; Act No. 187 of August 7, 1998, as amended; Administrative Bulletin number OE-1991-24, issued on June 18, 1991, as amended by Administrative Bulletin number OE-1992-52 of August 28, 1992, OE 2006-23 of June 22, 2006, Administrative Bulletin number OE-1994-11, issued on March 9, 1994; Circular Memorandum number 07-93, issued on March 8, 1993; and Circular Letter 2012-02 issued on April 30, 2012 by the Secretary of Justice, **BOTH PARTIES** agree to enter into this Agreement in accordance to the following:

RECITALS

FIRST: That the **PRDH** has the responsibility under Law to guarantee accessible quality health services to all Public Health Service System users in the Commonwealth of Puerto Rico;

SECOND: That the Puerto Rico State Medicaid Plan (State Plan) requires emergency air ambulance services pursuant to Section III, Addendum 3.1(D) 24(a), Description of Limitation – General Limitations (2004) and Section III, Addendum 3.1(D), Methods of Transportation (1985);

THIRD: That the Medical Emergency Corps (“CEM”, for its Spanish initials) is a government entity under the **PRDH**, and has the responsibility of providing emergency pre-hospital health services, which include land, air and water transportation to an adequate medical facility. Notwithstanding this fact, CEM has no legal authority to enter into this purchase agreement since it has not adopted regulations for purchase and acquisitions as required by law for those purposes;

FOURTH: That the **PRDH** adopted Code of Regulations number 5363 from the Health Facilities

and Services Administration ("AFASS", for its Spanish initials) which regulates purchases, after the AFASS was dissolved in 1998 and its responsibilities assumed by the PRDH under the provisions of Act No. 187 of August 7, 1998, as amended;

FIFTH: That Part 7, Article I (C) and (E) of the Code of Regulations number 5363, provides for an exemption from the public bidding requirement when there is an urgency or emergency which requires immediate action because if otherwise, might result detrimental to life or property (C) and where expert services are required and the Secretary of Health deems necessary the omission of the bidding process (E);

SIXTH: That a health emergency has arisen due to the fact that the companies which were providing health emergency air transportation services, have not come to an agreement with the PRDH, to continue to provide such services and such services are required taking into consideration that the lack thereof, could result in a serious health and life risk to citizens requiring such emergency service;

SEVENTH: That pursuant to said health emergency and due to the specialized nature of the services to be rendered, bidding requirements have been bypassed and Purchase Order number 00071-0000035684 was issued on August 17, 2016, which is made part of this Agreement hereof, in order to provide the emergency services described below;

EIGHTH: That **ECOLIFT** can provide the expert services to customize a helicopter for health emergency purposes and further desires to sell said helicopter as more fully described herein to **PRDH** and **PRDH** desires to purchase the customized helicopter from **ECOLIFT** on the terms and conditions contained herein;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the parties hereto agree as follows:

ARTICLE 1: DESCRIPTION AND PRODUCTION CONFIGURATION.

- 1.1 **ECOLIFT** agrees to sell to **PRDH** and **PRDH** hereby agrees to purchase from **ECOLIFT** all of **ECOLIFT's** right, title and interest in and to the helicopters, equipment, features, accessories, instruments, components, configuration and other parts installed thereon or appurtenant thereto, in the quantities and at the agreed unit and total prices, all as set forth on Appendix 1 and any amendment(s) thereto (hereinafter "Equipment").
- 1.2 The Equipment will be manufactured in accordance with **ECOLIFT's** production configuration at the time of manufacture for the selected model described in Appendix 1 hereto (hereinafter "Production Configuration"). **ECOLIFT** unilaterally reserves the right to revise the Production Configuration at any time to conform to regulations of any civil aviation authority or **ECOLIFT's** current manufacturing, design, or engineering requirements. Such revisions may result in changes to the Acceptance Date and/or Purchase Price. Except as otherwise provided under this Agreement, any increase to the Purchase Price will be agreed to by both parties in a written amendment to this Agreement.
- 1.3 **ECOLIFT** will notify **PRDH** as soon as reasonably practicable if manufacturing changes will affect Acceptance Date as defined in Article 4. **PRDH** agrees that **ECOLIFT** accepts no liability to **PRDH** as a result of any delays necessary due to manufacturing changes.

2017 DS 0277

ARTICLE 2: CUSTOMIZATION OF EQUIPMENT.

- 2.1 As of the date of this Agreement, the parties have agreed to the Detailed Customization and Lifeport Medical Installation for the Equipment as specified in Annex 2 hereof. For purposes of this Agreement, and as specified in Appendix 2, the "Detailed Customization" includes equipment, interior and exterior definitions, kits, installed accessories and customizing and the Lifeport Medical Installation.
- 2.2 Any modifications to the Detailed Customization shall be provided by the **PRDH** within seven (7) calendar days of the Execution Date. Any **PRDH** requested configuration changes to the Equipment or Detailed Customization will be agreed to by both parties in a written amendment to this Agreement and may result in an adjustment to the total Purchase Price (as hereinafter defined), payment schedule and/or Acceptance Date.

ARTICLE 3: PRICING AND PAYMENT TERMS.

- 3.1 Total Price. **PRDH** shall pay **ECOLIFT** a total purchase price for the Equipment, including the Detailed Customization of the Equipment (hereinafter "Customized Equipment") of **\$7,704,635.00** (the "Purchase Price"), pursuant to **Purchase Order number 00071-**

| Description | Balance Payment |
|--------------------------------------|-----------------------|
| Equipment (429 Data Plate Year 2015) | \$5,400,109.60 |
| Detailed Customization | \$477,249.00 |
| Total Balance Payment | \$5,877,358.60 |

- 3.4 Acceptable Methods of Payment. All payments shall be made in United States dollars by wire transfer, certified or cashier's check to **ECOLIFT**. Details of acceptable payment methods are contained in the Payment Policy attached to this Agreement as Appendix 3.
- 3.5 Taxes. The Purchase Price does not include any sales, use, personal property, value-added, excise or similar tax or assessments which may be imposed by any governmental authority upon this sales transaction, the Customized Equipment or the use of the Customized Equipment by the **PRDH**, and any such costs if imposed shall be the responsibility of the **PRDH**. The **PRDH** agrees to pay and indemnify **ECOLIFT** against taxes or assessments as referenced herein (including interest or penalties that may arise from nonpayment), as well as any withholding taxes, customs, duties or other assessments by any governmental authority so that in all instances **ECOLIFT** receives payment (after any taxes or assessments) equal to the Purchase Price.
- 3.6 The **PRDH** agrees to execute any documentation necessary to avoid the imposition of or receive exemption from applicable taxes. Specifically, the **PRDH** agrees to provide **ECOLIFT** a duly completed Puerto Rico Treasury Department Form 2916.1, Certificate for Exempt Purchases, in support of the **PRDH's** eligibility for the sales and use tax exemption granted to the Government of Puerto Rico pursuant to Section 4030.08 of the Puerto Rico Internal Revenue Code of 2011, as amended.
- 3.7 These provisions shall inure to any successor or approved assignee of the **PRDH** and shall survive until six (6) months after the expiration of any applicable statute of limitations.

ARTICLE 4: ACCEPTANCE AND DELIVERY.

- 4.1 The **PRDH** may elect to inspect and accept the Customized Equipment at **ECOLIFT's** designated facility or may elect to waive such inspection and accept such Customized Equipment by waiver, subject to Section 4.3 below.
- 4.2 **ECOLIFT** will notify the **PRDH** at least five (5) calendar days prior to the date the Customized Equipment will be available for inspection (hereinafter "Inspection Date").
- 4.3 On the Inspection Date, the **PRDH** shall inspect and flight test the Customized Equipment at **ECOLIFT's** facility in San Juan, Puerto Rico. In the event the Customized Equipment is not in compliance with the Appendix 1 and Appendix 2 of this Agreement, the **PRDH** shall notify to **ECOLIFT** in writing any deficiencies with such Customized Equipment no later than five (5) days after the Inspection Date. Following cure of the deficiencies notified in writing by the **PRDH**, the parties shall continue the acceptance procedure. After completion of the inspection (or completion of the inspection after the cure of notified

deficiencies), the **PRDH** shall execute the Certificate of Acceptance (as such term is hereinafter defined in Section 4.5). The **PRDH** may elect to waive such inspection and accept such Customized Helicopter by waiver as described in Section 5.5 below. The inspection shall be completed no later than five (5) business days after the Inspection Date or cure of notified deficiencies, as provided for in this Section 4.4.

- ack
cut
- 4.4 If the Customized Equipment is in compliance with the terms of this Agreement, the **PRDH** shall execute either a Certificate of Acceptance or a Certificate of Acceptance with Waiver of Inspection (each, a "Certificate of Acceptance") for the Customized Equipment, sent by E-mail or FAX to the address and/or number set forth in Section 16.1. The **PRDH's** execution of a Certificate of Acceptance shall constitute final acceptance of the Customized Equipment and serve as the **PRDH's** acknowledgement that the Customized Equipment conforms to the specified configuration and the requirements of this Agreement ("Acceptance"). The date of execution by the **PRDH** of Acceptance shall be deemed to be the "Acceptance Date".
 - 4.5 If the **PRDH** fails to inspect and accept the relevant Customized Equipment within the ten (10) calendar days after the Inspection Date for reasons other than non-compliance with the specified configuration not attributable to **ECOLIFT**, **ECOLIFT** shall have the option to terminate this Agreement and retain all payments previously made by the **PRDH** as liquidated damages but not as a penalty.
 - 4.6 **ECOLIFT** will deliver the Customized Equipment EXW (EX Works - INCOTERMS 2010) at **ECOLIFT's** facility in San Juan, PR. If final delivery of the Customized Equipment is to be other than one of **ECOLIFT's** designated facilities, alternate delivery details must be agreed to in writing at least thirty (30) days prior to the Acceptance Date and may result in additional charges to the **PRDH** as reasonably determined by **ECOLIFT**.
 - 4.7 The **PRDH** shall remove the relevant Customized Equipment from **ECOLIFT's** facility in San Juan, PR within ten (10) calendar days following Acceptance Date. If the **PRDH** does not remove the Customized Equipment on or before the tenth (10th) day, **ECOLIFT** may, at its discretion, assess a storage fee equal to five hundred dollars (\$500.00) per day for each calendar day beyond the ten (10) day period. Furthermore, The **PRDH** agrees to pay any additional costs incurred by **ECOLIFT** for any scheduled maintenance performed on such Customized Equipment or other costs incurred by **ECOLIFT** while still under **ECOLIFT's** care and control, including insurance costs, if any.

ARTICLE 5: RISK OF LOSS AND TRANSFER OF TITLE.

- 5.1 Risk of loss of the relevant Equipment shall pass to the **PRDH** upon receipt by **ECOLIFT** of: (i) the Equipment from the manufacturer in Piney Flats, Tennessee, USA, and (ii) the corresponding Balance Payment for the Customized Equipment.
- 5.2 **ECOLIFT** shall transfer title to the Customized Equipment free and clear of any and all liens, privileges, encumbrances, charges and rights of others either directly to the **PRDH**.
- 5.3 Upon receipt by **ECOLIFT** of the **Balance Payment** for the Customized Equipment, **ECOLIFT** shall cause the manufacturer to register the aircraft on the U.S. FAA Registry

under **PRDH's** name.

ARTICLE 6: TRAINING.

- 6.1 Any training provided by **ECOLIFT** specified in Appendix 1 herewith, must be completed no earlier than six (6) months prior to and no later than one (1) year after the Acceptance Date. Such training shall be conducted at Bell's Customer Training Academy in Fort Worth, Texas.

ARTICLE 7: EVENTS OF DEFAULT AND TERMINATION.

- 7.1 In addition to any other right to terminate available to **ECOLIFT** under the terms of this Agreement, in the event that (i) this Agreement is breached, canceled or terminated by the **PRDH** for any cause whatsoever, except for reasons set forth in Article 12 or (ii) the **PRDH** fails to pay any payments or other charges for which it is responsible under this Agreement when due, **ECOLIFT** shall have the right to terminate this Agreement and retain all payments previously made by the **PRDH** as liquidated damages but not as a penalty.
- 7.2 Except as set forth in Sections 7.1 and 4.4 above, in the event this Agreement is terminated by **ECOLIFT** for any reason other than those listed above, the sole liability of **ECOLIFT** shall be to return any payments made by the **PRDH** for Equipment not delivered.

ARTICLE 8: WARRANTY.

- 8.1 The **PRDH** hereby elects one of the following Warranty Options:

- ☐ Two Years/2000 Hours Prorated, whichever occurs first.
☐ Two Years/1000 Hours Non-Prorated, whichever occurs first.
☐ Three Years/500 Hours Non-Prorated, whichever occurs first.

Included as Appendix 4 and made part of this Agreement, is the description of the Manufacturer's Warranty Options and a Table listing all manufacturers' and vendors' warranties for the Customized Equipment, which warranties shall be transferred and assigned to the **PRDH**.

The parties hereby agree that the hours of use for purposes of this warranty shall commence on the Acceptance Date and **ECOLIFT** further agrees that it will certify the helicopter's flight hours prior to said Acceptance Date.

In case any discrepancies arise between the information and warranties contained in Appendix 4 and this Agreement, the terms and conditions contained herein shall always prevail.

- 8.2 In the event that the **PRDH** does not make a Warranty Option election, the **PRDH** shall be deemed to have selected a Warranty Option of "Two Years/1000 Hours Non-Prorated, whichever occurs first". Selected warranty is fully transferable and terms of the warranty

are set forth in Appendix 4. Additional warranty information can be found at www.bellhelicopter.com under the Product Support Section of the "Support and Services" menu.

ARTICLE 9: WIRE STRIKE PROTECTION.

9.1 **ECOLIFT** HIGHLY RECOMMENDS THE INSTALLATION OF WIRE STRIKE PROTECTION ("WSP") AS IT MAY REDUCE OR MINIMIZE THE SEVERITY OF INJURIES AND DAMAGE SUSTAINED AS A RESULT OF AIRCRAFT CONTACT WITH ABOVE GROUND CABLES AND/OR POWER LINES. BY SIGNING THIS AGREEMENT, THE **PRDH** ACKNOWLEDGES THAT: (I) THE WSP IS INTENDED TO CAPTURE AND CUT WIRES WITHIN ITS CAPTURE PARAMETERS AND (II) THE WIRE STRIKE KIT, AS INSTALLED, WILL NOT CUT ALL CABLES OR WIRES CONTACTED BY AN AIRCRAFT IN FLIGHT, NOR PREVENT LOSS OF CONTROL AS A RESULT OF ALL WIRE STRIKE INCIDENTS. THE **PRDH** CERTIFIES BY SIGNING THIS AGREEMENT THAT THE WSP WAS RECOMMENDED BY **ECOLIFT** AND THAT THE DECISION TO INSTALL SUCH EQUIPMENT IS AT THE SOLE DISCRETION AND RISK OF THE **PRDH**.

ARTICLE 10: ASSIGNMENT.

EITHER PARTY may not assign this Agreement without the prior written consent of the OTHER PARTY.

ARTICLE 11: GOVERNING LAW.

11.1 This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico not including without regard to its choice of law principles.

ARTICLE 12: FORCE MAJEURE.

12.1 If **ECOLIFT** shall be unable to perform its obligations under this Agreement because of intervention of a Force Majeure event, which term shall include but not be limited to strikes, lockouts or other labor disturbances, riots, epidemics, war, governmental actions, inactions or regulations (including, but not limited to, preemptive priority allocation rights of the U.S. Government), fire, weather, difficulty in obtaining qualified parts or materials, failure of performance by subcontractors or other causes beyond its control, **ECOLIFT** shall not be responsible for delays in acceptance, delivery or performance under this Agreement.

12.2 **ECOLIFT** shall give reasonable notice to the **PRDH** upon the occurrence of a Force Majeure event. If a delay in delivery or performance extends beyond one hundred and eighty (180) days from the Acceptance Date, either party may terminate this Agreement, whereupon the sole liability of **ECOLIFT** shall be to return any payments made by the **PRDH** for Equipment not delivered.

ARTICLE 13: RESPONSIBILITY FOR CERTAIN LOSSES.

13.1 Neither party shall hold the other responsible for loss or damage to its property or injury to

or death of its employees, agents, or representatives at the facilities of the other party in the course of performing this Agreement, except as a result of the other party's willful misconduct. The foregoing applies, without limitation, to losses caused by mechanical defects, parts failure or accidents.

ARTICLE 14: LIMITATION OF LIABILITY.

14.1 IN NO EVENT SHALL EITHER PARTY BE LIABLE UNDER THIS AGREEMENT PURSUANT TO ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY, TORT, OR OTHER LEGAL OR EQUITABLE THEORY FOR ANY INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE WHATSOEVER, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE PARTIES ACKNOWLEDGE AND AGREE THAT THE LIMITATIONS OF LIABILITY SET FORTH IN THIS AGREEMENT REFLECT AN ALLOCATION OF RISK SET FORTH IN THIS AGREEMENT AND THAT, IN THE ABSENCE OF SUCH LIMITATIONS, THE TERMS OF THIS AGREEMENT WOULD BE SUBSTANTIALLY DIFFERENT.

ARTICLE 15: SEVERABILITY AND WAIVER.

15.1 If any provision of this Agreement is or becomes null or unenforceable by force of law, the other provisions shall remain valid and enforceable. Waiver of one provision by either party shall not act as waiver of any other provision.

ARTICLE 16: NOTICES.

16.1 Notices required under this Agreement shall be in writing and sent by electronic mail or FAX with confirmation to the respective parties by courier or registered mail, and to the addresses set forth below unless otherwise specified by the parties in writing. All notices delivered hereunder shall be deemed given on the date they are transmitted or placed in the hands of the post or courier for delivery as appropriate.

If to **ECOLIFT**,

Physical Address: (by overnight delivery only)

ECOLIFT Corporation
Isla Grande Airport, South Ramp 2A
San Juan, Puerto Rico 00907
Attn: President
FAX: 787-723-4774
E-mail: esdigre@ecolift.com

Mailing Address: (by registered mail)

PO Box 9477

San Juan, PR 00908

If to the **PRDH**,

Physical Address: (by overnight delivery only)

Departamento de Salud
Antiguo Hospital Psiquiátrico
Edificio A
Bo Monacillos, Rio Piedras, Puerto Rico
Attn: Dra. Ana Ríos Armendáriz/ Secretary of Health
E-mail: rrreveron@salud.pr.gov and anarius@salud.pr.gov

Mailing Address: (by registered mail)

Departamento de Salud
PO Box 8184
San Juan, PR 00936-8184

ARTICLE 17: ENTIRE AGREEMENT AND ORDER OF PRECEDENCE.

- 17.1 This Agreement, together with the Appendices attached hereto, constitute the entire agreement between the parties with respect to the subject matter hereof and supersede all prior written or oral agreements, representations, negotiations, proposals or discussions between the parties with respect to the subject matter hereof.
- 17.2 No modification or supplement hereto shall be effective unless in writing as an amendment to this Agreement and signed by both parties. In the event of any inconsistency between the provisions of this Agreement and any Appendix or modification thereof, such inconsistency shall be resolved by giving precedence to the document which is the most recent in time as measured by the dated signature of **ECOLIFT**.

ARTICLE 18. PERFORMANCE BOND

- 18.1 As guarantee for the performance and the two (2) advanced payments as described in Article 3, above, in fulfilling its obligations under this Agreement on the Execution Date **ECOLIFT** shall deliver a Performance and Payment Contract Bond for the benefit of the **PRDH**, as required under Regulation 31 of the PR Health Department, for an amount equal to \$7,704,635.00. Such Performance and Payment Contract Bond shall be maintained until the Acceptance Date. This bond must comply with the following requirements:
- (a) Principal or Obligor: **ECOLIFT CORPORATION** or any other individual, joint venture, partnership or corporation that may be considered as principal.
 - (b) Obligee or Owner: Secretary of the Treasury of the Commonwealth of Puerto Rico (Secretario de Hacienda).
 - (c) Surety: Indemnity Company (Licensed to do business in Puerto Rico with a classification not less than A by A.M. Best Ratings Company). Evidence must be submitted before acceptance.

- (d) Penal Sum Bond: \$7,704,635.00
- (e) Date Bond Executed
- (f) Type of Legal Organization
- (g) State of Incorporation
- (h) Contract Dates: Execution Date, Expiration Date
- (i) Contract Number
- (j) Obligations
- (k) Conditions
- (l) Exclusions
- (m) Witness, Names, Signatures, Addresses and Affixed Seals

18.2 On the Execution Date, **ECOLIFT** shall deliver to the **PRDH** evidence of total payment of the required Performance and Payment Contract Bond specified under Article 18.1, above. **ECOLIFT's** obligation to provide the bonds described on Section 18.1, shall terminate on the Acceptance Date.

ARTICLE 19. INSURANCE

19.1 **ECOLIFT** will maintain in force during the period of this Agreement the following insurance policies:

- ack*
Cef
- (a) Aircraft Liability:
 - (1) Aircraft Liability coverage including Passenger Bodily Injury Liability and for Non Passenger, with limits not less than \$5,000,000.00
 - (2) Aircraft Property Damage Liability with limits not less than \$5,000,000.00
 - (b) Aircraft Physical Damage Coverage: Limit: \$7,704,635.00: All risk basis: To pay for any physical damage loss to the aircraft, including disappearance of the aircraft.
 - (c) Medical Reasonable Expenses Coverage:
 - (1) For passengers
 - (2) For the crew
 - (d) Defense, Settlement and Supplementary Payments: Limits not less than \$3,000,000.00
 - (e) Commercial General Liability Insurance: Including bodily injury, property damage, personal and advertising injury and medical payments, contractual liability, products and completed operations liability with limits not less than \$10,000,000.00, to cover this risks when customizing the aircraft in land, and employers liability insurance with limits no less of \$500,000.00.

The policies must have the following endorsements:

1. Naming the **DEPARTMENT OF HEALTH** of Puerto Rico and the **Department of the Treasury of Puerto Rico**, as additional insureds.
2. Including the Hold Harmless Agreement in favor of the **DEPARTMENT OF HEALTH of Puerto Rico and the Department of the Treasury of Puerto Rico**.

3. Policies cannot be cancelled or modified without providing thirty (30) days prior written notice to the **DEPARTMENT OF HEALTH**, Office of Insurance and Risks ("Oficina de Seguros y Riesgos"), P. O. Box 70184, San Juan, Puerto Rico 00936-8184.

Policies and endorsements described herein shall terminate on the earlier of Acceptance Date or earlier termination of this Agreement or by Law.

All certified and original bond and policies will be made part of this Agreement's file. Cancellation of policies will be sufficient cause for immediate cancellation of this Agreement. Such policies and bond, shall be submitted to the **PRDH's** Insurance Office and the Department of the Treasury of Puerto Rico at least one day in advance of the date of execution of this Agreement for approval or denial. A denial shall entail a delay in the execution of the Agreements until corrections be made.

ARTICLE 20. MANDATORY PROVISIONS

- 20.1 **ECOLIFT** certifies that it is not involved in a conflict of interest as defined under applicable law. **ECOLIFT** acknowledges the existence of a conflict of interest when: (a) it supports conduct or actions which it understands to be contrary to the interests of the **PRDH** or the terms of this Agreement, in order to obtain an economic advantage for itself or any of its executives, directors, affiliates or substantial equity holders (b) on behalf of itself, any of its executives, directors, affiliates, substantial equity holders, clients or business partners, support a course of action, policy, outcome or result which **ECOLIFT** would resist if it acted principally to advance the interests of the **PRDH**; (c) represents or advises or provides consulting services to clients who have or may have interests contrary to the **PRDH**. Should one of **ECOLIFT's** directors, officers or employees thereof have a conflict of interest with the **PRDH**, or engages in a conflict of interest, it shall constitute a violation of this Agreement, to the extent that **ECOLIFT** has endorsed or ratified such conduct. **ECOLIFT** shall avoid even the appearance of the existence of any adverse interests. **ECOLIFT** further certifies and agrees that none of its shareholders, directors, officers or employees is a government employee or officer of, or is under a regular, sick, or vacation license from, any agency, corporation, board, or instrumentality of the Commonwealth, or any of its municipalities.
- 20.2 **ECOLIFT** certifies and warrants that as of the Execution Date of this Agreement it has filed any income tax returns with the Commonwealth which may be required for the five previous taxable years. **ECOLIFT** further certifies and warrants that as of the date of this Agreement, to the best of its knowledge, it does not have any outstanding debts for unemployment insurance, disability, workmen's compensation or chauffeur's social security in Puerto Rico.
- 20.3 Concurrently with the execution of this Agreement, **ECOLIFT** shall provide to the **PRDH**: (a) A certification of filing of income tax return, issued by the Internal Revenue Area of the Department of Treasury of the Commonwealth of Puerto Rico ("Treasury"); (b) A no taxes debt due certificate, or payment plan and compliance therewith, issued by the Internal

Revenue Area of the Department; (c) A certificate of no debt, or payment plan and compliance therewith, with respect to property real and mobile property taxes issued by the Municipal Revenue Collection Center ("CRIM", for its Spanish acronym); (d) A certificate of no debt, or payment plan and compliance therewith, for unemployment insurance, disability and chauffeur's social security issued by the Puerto Rico Department of Labor and Human Resources; (e) Worker's Compensation Insurance policy issued by the State Insurance Fund; (f) Certificate of no debt, or payment plan and compliance therewith, issued by the State Insurance Fund; (g) Corporate Good Standing Certificate from the Commonwealth State Department; and (h) If available or applicable, certificate of tax withholding waiver issued by the Internal Revenue Area of the Department.

- 20.4 Except as listed in Schedule 20.4 of this Agreement, **ECOLIFT** certifies that it does not have any other contracts with the Commonwealth, its agencies, corporations or municipalities, and will immediately disclose in writing to the **PRDH** any contract between **ECOLIFT** and other governmental authorities of the Commonwealth and shall immediately notify the **PRDH** in writing upon obtaining any necessary waivers. Any such future contract shall not conflict with the obligations of **ECOLIFT** under this Agreement.
- 20.5 Except as listed in Schedule 20.5 of this Agreement, **ECOLIFT** certifies and warrants that, as of the date of this Agreement, it does not have any other litigation outstanding with the Commonwealth, its agencies or instrumentalities.
- 20.6 **ECOLIFT** certifies and warrants that no official or employee of the **PRDH** has a direct or indirect economic interest in **ECOLIFT's** rights under this Agreement and that no official or employee of the executive branch of the Commonwealth has any interest, monetary or otherwise, or in the proceeds or benefits inuring to **ECOLIFT** under this Agreement, in accordance with the provisions of Article 3.3D and E of the Government Ethics Act and the Code of Ethics for Suppliers, and Economic Incentive Petitioners of Commonwealth Executive Agencies.
- 20.7 **ECOLIFT** certifies and warrants that, as of the date of this Agreement, **ECOLIFT** has not been convicted or plead guilty in a criminal procedure in state, federal court or court of other country, for the commission of crimes that constitute fraud, embezzlement or misappropriation of public funds listed in Article 3 of Act 458-2000, as amended. If **ECOLIFT** is convicted or pleads guilty for any of the offenses listed herein, in addition to any other penalties, this Agreement shall be subject to automatic termination and the **PRDH** shall have the right to request the return of any payments made to **ECOLIFT** under the terms of this Agreement.
- 20.8 The **PRDH** agrees to file this Agreement with the Office of the Comptroller of Puerto Rico (the "Comptroller") not less than five (5) days after its execution by all parties. Any obligation under this Agreement will not be enforceable until it has been filed for record in the Office of the Comptroller in accordance with the provisions of Act No. 18 of 30 October 1975, as amended, and regulations issued thereunder.

[SPACE INTENTIONALLY LEFT IN BLANK]

[SIGNATURE PAGE FOLLOWS]

ack
aw
D

1990-1991
1992-1993

1994-1995

1996-1997

1998-1999

2000-2001



2002-2003

APPENDIX 1

EQUIPMENT, PRODUCTION AND DETAILED CONFIGURATION

Bell Helicopter Textron
Equipment to be purchased

| Description | Qty | Unit Price | Total Price |
|---|-----|----------------|----------------|
| 429 Data Plate Year 2015 | 1 | \$6,355,203.00 | \$6,355,203.00 |
| Standard Factory Installed Kits | | | |
| Air Conditioner Drive Quill | 1 | NSP | NSP |
| Air Conditioner Provisions (Air Comm) | 1 | NSP | NSP |
| Electrical Provisions Kit (Required For Cat. A Operations) | 1 | NSP | NSP |
| Emergency Locator Transmitter (ELT) - C406-NHM (Artex) | 1 | NSP | NSP |
| Inlet Barrier Filter Electrical Provisions | 1 | NSP | NSP |
| NAV/COM/GPS - GTN-750/650 (Garmin) | 1 | NSP | NSP |
| Rotor Brake Provisions | 1 | NSP | NSP |
| Wire Strike Protection System (Lower Provisions) | 1 | NSP | NSP |
| Wire Strike Protection System (Upper Provisions) | 1 | NSP | NSP |
| Kits | | | |
| 200 Amp Starter Generator (Dual) (Required For Cat. A Operations) | 1 | \$10,609.00 | \$10,609.00 |
| 3rd Display Unit & 2nd Standby Compass (Required For Dual Pilot IFR) | 1 | \$73,645.00 | \$73,645.00 |
| 4th Axis Autopilot | 1 | \$49,028.00 | \$49,028.00 |
| Compressor Wash Kit | 1 | \$11,845.00 | \$11,845.00 |
| Dual Pilot Control Provisions | 1 | \$11,639.00 | \$11,639.00 |
| Dual Pilot Controls Equipment (Required For Dual Pilot Operation) | 1 | \$23,484.00 | \$23,484.00 |
| <i>Does Not Include Co-Pilot Headset.</i> | | | |
| Headliner - Standard -w- LED Lights & Adjustable AC Vents | 1 | \$9,785.00 | \$9,785.00 |
| Increased Capacity Battery (44 Amph) (Cat. A Compliant) | 1 | \$5,047.00 | \$5,047.00 |
| Inlet Barrier Filter | 1 | \$41,097.00 | \$41,097.00 |
| Rear Clamshell Doors With Windows | 1 | \$111,652.00 | \$111,652.00 |
| Rotor Brake Equipment | 1 | \$23,793.00 | \$23,793.00 |
| Seats - Passenger Standard 6 Place Club - 18.5" Seats With 4 Point Restraint System - Quick Release Disconnects & ICS Fixed Provisions* | 1 | \$0.00 | \$0.00 |
| <i>*Provide as Loose Equipment</i> | | | |
| Wire Strike Protection System | 1 | \$38,110.00 | \$38,110.00 |
| Credits | | | |
| No Exterior Paint | 1 | (\$39,800.00) | (\$39,800.00) |
| Ferry Flight | | | |
| Ferry Flight to Ecolift Corporation, Aeropuerto "Isla Grande Airport, South Ramp, Lot 2 ^a , San Juan, Puerto Rico 00917 (Price includes Insurance) | 1 | \$25,000.00 | \$25,000.00 |

Departure from Bell Helicopter facility will begin after both acceptance and payment have been received; subject to Pilot availability.
 Insurance Coverage during Ferry Flight to San Juan, Puerto Rico: Bell Helicopter agrees to maintain the following Aviation Insurance associated with customer's aircraft while it's in the care, custody and control of Bell Helicopter:
☐ Ground Hangarkeepers' Liability insurance which shall cover the aircraft while it's on the ground and the rotors are not in motion
☐ In Flight Hangarkeepers' Liability insurance which shall cover the aircraft while the rotors are in motion and whereby a Bell Approved Pilot is operating (flying &/or ground running) the aircraft.

| Description | Qty | Unit Price | Total Price |
|--|-----|------------|-----------------------|
| Maintenance Training | | | |
| Complimentary Field Maintenance Training – 429 | 1 | \$0.00 | \$0.00 |
| Complimentary Integrated Avionics System – 429 | 1 | \$0.00 | \$0.00 |
| Pilot Training | | | |
| Complimentary Ground - FTD - & Flight Training – 429 | 1 | \$0.00 | \$0.00 |
| NVG Initial Pilot Course – 429 | 1 | \$0.00 | \$0.00 |
| <i>Includes: Ground School - 8 hours, NVG Flights - 6-7 hours Does not include FTD</i> | | | |
| Additional Training: 429 IP NVG Initial Course | 1 | \$0.00 | \$0.00 |
| <i>Student must have completed 429 NVG Initial Course before attending 429 IP NVG Initial Pilot Course</i> | | | |
| <i>Includes: Ground School - 8 hours, NVG Flights - 2-3 hours Does not include FTD</i> | | | |
| Acceptance Location | | | |
| PINEY FLATS, TENNESSEE (USA) | 1 | \$0.00 | \$0.00 |
| Certification | | | |
| U.S. FAA | 1 | \$0.00 | \$0.00 |
| Warranty | | | |
| Two Years / 1000 Hours Non-Prorated - Whichever Occurs First | 1 | \$0.00 | \$0.00 |
| Purchase Price: | | | \$6,750,137.00 |

PAYMENT SCHEDULE

| Payment Terms | Date | Amount |
|-----------------------|--|-----------------------|
| Payments | | |
| DEPOSIT | Within ten (10) calendar days of Signature | \$1,350,027.40 |
| BALANCE PAYMENT | Upon Acceptance of Equipment and prior to shipment of Equipment from Seller's facility | \$5,400,109.60 |
| Purchase Price | | \$6,750,137.00 |

**APPENDIX 2
EQUIPMENT AND CUSTOMIZATION**

| Description | Qty | Total Price |
|--|-----|-------------|
| Generic Aircraft Additional Equipment - eligible for FAA Part 135- | | |
| Air Conditioner -w- Dual Evaporator and Manual Controls (Air Comm) | 1 | \$81,395 |
| Radar Altimeter / Free Flight RA4500 | 1 | \$21,267 |
| B429 AeroD Internal Cabin NVG STC (does not include AeroD NVG External Covert IR Formation Lighting System) | 1 | \$125,332 |
| Aft Cabin ICS Compatible with EMS Interior | 1 | \$22,500 |
| Audio System COBHAM, w/ 2ea. NAT 301A Control Panels and 1 ea. AA85 Tactical operator control | 1 | \$66,727 |
| HTAWS - Helicopter Terrain Awareness Systems / coupled to GTN750 GARMIN | 1 | \$32,725 |
| Marker Beacon - Remote Mounted (PS Engineering) Displayed on Factory EFIS | 1 | \$13,970 |
| Strobes (2 - Left/Right), LED Position Lights (3 - Left/Right/Tail) | 1 | \$12,620 |
| GTS-800 GARMIN Traffic Avoidance System - w/Mutable audio | 1 | \$31,987 |
| NAV/COM/GPS - GTN-750/650 NVG Conv.(Garmin) | 1 | \$11,953 |
| Transceiver - TDFM-9100 NV w/Type A Digital Modules VHF 136-175 MHZ / UHF 380-520 MHZ / 800 MHZ (764-870 MHZ), Narrow Band (12.5 KHZ) operation / CAI for P25, Conventional Software and Front Panel Programming / Smarty Zone Trunking P25 | 1 | \$98,935 |
| Aircraft Exterior Paint -as per DEPARTAMENTO DE SALUD pre-approved scheme- | 1 | \$39,800 |
| Lifeport ALS - HEMS Helicopter Emergency Medical Equipment - eligible for FAA Part 135- | | |
| One (1) Lifeport Utility Pedestal containing: | 1 | \$357,837 |
| 3500-liter oxygen system with OHIO outlet (approximately 3.8 hr of oxygen at 15 LPM) | | |
| 1000-Watt Inverter, 115 VAC, USA style outlets | | |
| Vacuum System, 28v DC, rated at 559 mm of Mercury with a OHIO outlet | | |
| Compressed Air System, 28v DC (689 Kpa pump regulated to 345 Kpa, 10.75 liters/min. flow) with OHIO outlets | | |
| Control Panel with three (3) AC electrical outlets, vacuum and air pressure gauges | | |
| MS Style Remote Oxygen Fill Port | | |
| One (1) Lifeport 16 G Aerosled Stretcher to include: | 1 | Included |
| Pneumatically controlled backrest adjusts from 0-60° | | |
| Patient restraint system | | |
| High density mattress | | |
| Equipment Arch Standard | | |
| One MedDeck Gen 16-G Track and Swivel Receiving Deck | 1 | Included |
| This 2-way tracking and pivoting carriage enables out-of-the-door patent loading. Its forward-aft tracking offers various patient locations. The MedDeck is designed for "user friendly" operation. Will be configured to allow for side door loading. | | |

| | | |
|---|---|------------------|
| Additional Optional selected by DEPARTAMENTO DE SALUD | | |
| Cargo Pallet with Certification / FAA Substantiation | 1 | \$17,950 |
| Revel Ventilator Mount | 1 | \$6,500 |
| Zoll X Mount | 1 | \$6,500 |
| IV Pump Pole Mount | 1 | \$6,500 |
| TOTAL Customization ECOLIFT | | \$954,498 |

DELIVERABLES BY ECOLIFT

1. Wiring diagrams
2. Aircraft Flight Manual Supplement (AFMS)
3. Weight and Balance Report (W & B)
4. Instructions for Continued Airworthiness (ICA)
5. Provide all electrical harnesses and antenna coaxes. Harnesses will include a complete Forward Baggage Compartment harness and a Cabin harness.
6. Provide all miscellaneous components to include terminal modules, relays, circuit breakers and annunciator switches that are integrated into the new harnesses.
7. Medical Equipment will be eligible for FAA Part 135 Approval
8. All Equipment listed in the table included in this Appendix 1, together with the Lifeport Medical installation and related structural fixtures

APPENDIX 3

**ECOLIFT Corporation
Payment Policy**

In light of a rapidly evolving business environment in which a multitude of payment options are available to our domestic and international customers, for your convenience Ecolift Corporation would like to reiterate the acceptable forms of payment for its goods and services. To ensure that you or your customer will receive goods or services without delay, we ask that all payments be made as set forth below.

The following payment methods are acceptable for each payment due under this Agreement:

1. WIRE TRANSFER:

A wire transfer is an acceptable form of payment. DEPARTAMENTO DE SALUD should exercise due care to ensure that the wire transfer accurately reflects that it is from DEPARTAMENTO DE SALUD and make reference to the specific goods or services for which payment is being made. Any errors or unexplained references in the wire transfer could result in delays in processing and Acceptance as defined in Article 4.

Wire transfers for ECOLIFT Corporation invoices should be sent to:

Banco Popular de Puerto Rico

Physical Address: Sucursal Parada 15, Santurce, P.R.

Sucursal # 101-201-215

Mailing Address: P.O. Box 362708, San Juan, P.R. 00936-2708

Tlf. (787) 722-0140

Fax (787) 722-8736

Atención: Manager

In Favor Of:

Cuenta de ECOLIFT Corporation

Cuenta # 017-099765

Routing, ABA# 021502011

2. CHECK:

A check in United States Dollars, issued by a United States bank, Puerto Rico or a recognized international bank is an acceptable form of payment. Such check should be paid to the order of ECOLIFT Corporation and indicate that it is from DEPARTAMENTO DE SALUD and make reference to this Agreement.

Payments not sent as set forth above may result in a delay in the delivery of goods and/or services or the return of such payment to the originator.

APPENDIX 4

NEW HELICOPTER WARRANTY BY MANUFACTURER

Two Years / 2,000 Hours Prorated

ack
af

Bell warrants each new helicopter to be free from defect in material or workmanship under normal use and service. Bell's sole obligation under this warranty is limited to replacement or repair of parts which are determined to Bell's reasonable satisfaction to have been defective within 2000 hours of operation or two (2) years after delivery, whichever occurs first and reimbursement of reasonable freight charges. During the first 200 hours of use Bell will reimburse the PR Health Department for reasonable labor charges associated with warranty related issues. After 200 hours of use, there will be a prorated charge to the PR Health Department for replacement parts (prorating the hours of total use against the then applicable part life or 2000 hours, whichever is the lesser). Spare parts installed as warranty replacement on helicopters which are covered by this New Helicopter Warranty will be warranted for the balance of the original ship warranty or the spare part warranty, whichever is most advantageous for PR Health Department. Defective parts must be reported in writing to the Bell's Warranty Administration within 90 days of being found defective. Replacement of parts may be with either new or reconditioned parts, at Bell's election. Warranty adjustment is contingent upon PR Health Department complying with the Warranty Remedies as described in the Commercial Warranty Information brochure and the Bell's Warranty Administration disposition instructions for defective parts. Failure to comply with all of the terms of this paragraph may, at Bell's sole option, void this warranty.

Two Years / 1,000 Hours Non-Prorated

Bell warrants each new helicopter to be free from defect in material or workmanship under normal use and service. Bell's sole obligation under this warranty is limited to replacement or repair of parts which are determined to Bell's reasonable satisfaction to have been defective within 1000 hours of operation or two (2) years after delivery, whichever occurs first and reimbursement of reasonable freight charges. During the first 200 hours of use Bell will reimburse the PR Health Department for reasonable labor charges associated with warranty related issues. Spare parts installed as warranty replacement on helicopters which are covered by this New Helicopter Warranty will be warranted for the balance of the original ship warranty or the spare part warranty, whichever is most advantageous for PR Health Department. Defective parts must be reported in writing to the Bell's Warranty Administration within 90 days of being found defective. Replacement of parts may be with either new or reconditioned parts, at Bell's election. Warranty adjustment is contingent upon the PR Health Department complying with the Warranty Remedies as described in the Commercial Warranty Information brochure and the Bell's Warranty Administration disposition instructions for defective parts. Failure to comply with all of the terms of this paragraph may, at Bell's sole option, void this warranty.

Three Years / 500 Hours Non-Prorated

Bell warrants each new helicopter to be free from defect in material or workmanship under normal use and service. Bell's sole obligation under this warranty is limited to replacement or repair of parts which are determined to Bell's reasonable satisfaction to have been defective within 500 hours of operation or three (3) years after delivery, whichever occurs first and reimbursement of reasonable freight charges. During the first 200 hours of use Bell will reimburse the PR Health Department for reasonable labor charges associated with warranty related issues. Spare parts installed as warranty replacement on helicopters which are covered

by this New Helicopter Warranty will be warranted for the balance of the original ship warranty or the spare part warranty, whichever is most advantageous for PR Health Department. Defective parts must be reported in writing to the Bell's Warranty Administration within 90 days of being found defective. Replacement of parts may be with either new or reconditioned parts, at Bell's election. Warranty adjustment is contingent upon the PR Health Department complying with the Warranty Remedies as described in the Commercial Warranty Information brochure and the Bell's Warranty Administration disposition instructions for defective parts. Failure to comply with all of the terms of this paragraph may, at Bell's sole option, void this warranty.

The following information is applicable to all warranty programs:

Parts, components and assemblies of all new helicopters may have been restored or reworked due to marks, blemishes, dents or other irregularities during the manufacturing process. Such restoration and/or rework is permitted under Bell's approved manufacturing and engineering processes and guidelines. The restoration and/or rework so completed does not render such items defective in material or workmanship.

THIS WARRANTY IS GIVEN AND ACCEPTED IN PLACE OF (i) ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND (ii) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY IN CONTRACT OR IN TORT (DELICT), INCLUDING PRODUCT LIABILITIES BASED UPON STRICT LIABILITY, NEGLIGENCE, OR IMPLIED WARRANTY IN LAW.

This warranty is the only warranty made by Bell. The PR Health Department's sole remedy for a breach of this warranty or any defect in a part is the repair or replacement of helicopter parts and reimbursement of reasonable freight charges as provided herein. Bell excludes liability, whether as a result of a breach of contract or warranty, negligence or strict product liability, for incidental or consequential damages, including without limitation, damage to the helicopter or other property, costs and expenses resulting from required changes or modifications to helicopter components and assemblies, changes in retirement lives and overhaul periods, local customs fees and taxes, and costs or expenses for commercial losses or lost profits due to loss of use or grounding of helicopters or otherwise.

This warranty shall not apply to any helicopter or part thereof which has been repaired or altered outside Bell's factory in any way so as, in Bell's sole judgment, to affect its stability, safety or reliability, or which has been subject to misuse, negligence or accident. Repairs and alterations which use or incorporate parts and components other than genuine Bell parts or parts approved by Bell for direct acquisition from sources other than Bell itself are not warranted by Bell, and this warranty shall be void to the extent that such repairs and alterations, in Bell's sole judgment, affect the stability, safety or reliability of the helicopter or any part thereof, or damage genuine Bell or Bell-approved parts.

No person, corporation or organization, including Bell Customer Service Facilities, is authorized by Bell to assume for it any other liability in connection with the sale of its helicopters and parts, nor to make any warranties beyond the foregoing warranty nor to change any of the terms hereof. NO STATEMENT, WHETHER WRITTEN OR ORAL, MADE BY ANY PERSON, CORPORATION OR ORGANIZATION, INCLUDING BELL CUSTOMER SERVICE FACILITIES MAY BE TAKEN AS A WARRANTY NOR WILL IT BIND SELLER.

Bell makes no warranty and disclaims all liability with respect to components or parts damaged by, or worn due to corrosion. Bell makes no warranty and disclaims all liability for consumables (wear items) which are defined as items required for normal and routine maintenance or

replaced at scheduled intervals shorter than the warranty period. "Consumables" include but are not limited to engine and hydraulic oil, oil filters, packings and o-rings, anti-corrosion and/or sealing compounds, brush plating material, nuts, bolts, washers, screws, fluids, compounds, and standard aircraft hardware that is readily available to aircraft operators from sources other than Bell.

ack
gj

MANUFACTURER'S AND VENDOR'S WARRANTIES

| Company | | Warranties | |
|----------------------------|---|---|---|
| BELL Helicopter Textron | | 2 Years – 1000 hours of Operation whichever occurs first | |
| AirComm | New Air Conditioners: 1 year from date of delivery. | Spare Parts: 1000 hours of operation or 12 months after purchase. | |
| | Aurora & Galactica Series: 4 Year Limited Warranty. | PosiStrobe XP Series: 3 Years Limited Warranty. | |
| AVEO | | | 90 days for Factory Repairs or Newly-overhauled products exchanged at Garmin in lieu of repair. |
| | | | |
| Garmin | | | |
| | | | |
| Lifeport Inc | | | |
| | | | |
| Technisonic | | | |
| | | | |
| FreeFlight System | | | |
| | | | |
| PS Engineering | | | |
| | | | |
| Becker | | | |
| | | | |
| Comant | | | |
| | | | |
| Sensor Systems | | | |
| | | | |

Schedule 21.4

List of Government Contracts

Helicopter Purchase Agreement dated as of July 23, 2016 by and between Ecolift Corp., and the General Services Administration.

not
af

**Schedule 21.5
Litigation**

Ecolift Corp. vs. Municipio de San Juan, Civil Case Num. 2014-2484 (602):

On November 3rd, 2014, the Company filed a Complaint against the Municipality of San Juan for the collection of outstanding invoices due from the Municipality since 2012 in connection with the use of the Company's helicopter and other related services. Also, we requested the payment for the services provided by the Company to the Municipality for maintenance of a helicopter owned by the Municipality that, as of today, is still in the Company's premises. The total claim amount requested for payment is \$557,837.50. The Municipality answered the Complaint denying the payment responsibility for the amounts included in the Complaint. An Initial Report under Rule 37.1 of Puerto Rico Civil Procedure Rules was prepared by the parties.